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SUBJECT: FATA IMPLEMENTATION PLAN UPDATE 2/29/08

REF: ISLAMABAD

1.(U) This cable reports the past week's developments in the U.S. Mission's various programs in Pakistan's Federally Administered Tribal Area's along its northwest border with Afghanistan.

USAID program updates

- 2.(U) On February 29, USAID signed a USD 150 million "livelihoods" contract with a series of organizations. The agreement is to develop a social and economic stabilization program in the FATA agencies of Kurram, Orakzai, North and South Waziristan, and the Northwest Frontier Province (NWFP) districts of Kohat, D.I.Khan, Tank, and Bannu. The program will continue through 2013.
- 3.(U) USAID's Office of Transition Initiatives/FATA
 Transition Initiative (OTI/FTI) launched the pilot of its
 perceptions survey in Khyber and Orakzai agencies on February
 127. The survey, which will take approximately two weeks, was
 approved by the FATA Secretariat. On March 1 FTI launched a
 ten day all-Khyber cricket competition (the most popular
 sport in Pakistan) at the request of Khyber's communities.
 The Khyber Political Agent and possibly the NWFP Governor
 will attend. The event will be an opportunity to showcase
 GOP responsiveness to citizens' requests and boost public
 relations for the FATA Secretariat.
- 4.(SBU) USAID Islamabad officials noted that as plans move forward toward establishing ROZ's (Reconstruction Opportunity Zones) in the FATA, the chronic shortage of a reliable supply of electricity in the region (as well as elsewhere in the country) will hobble even small-scale industrial development programs in the area. As USAID officials noted, the small marble industry in the FATA, targeted to be developed in the ROZs, has shut down for lack of electric power. While the issue is one that plagues Pakistan nation-wide, it is particularly acute in the FATA and is fundamental to our efforts to pursue our plans for ROZs in that area.

ODRP program updates

5.(SBU) The first Pakistani civilian-military "contact group," initiated under a program from the Civil-Military Relations Office of the Naval Post Graduate School in Monterey, California, is tentatively scheduled to take place in Peshawar March 19 - 20. The Pakistani government has

provided names for the civilian side of the discussion group, but none for the military side as yet.

FATA Overview

 $\underline{\P}6.$ (U) We will be submitting by septel an overview of the Mission's FATA programs and strategy in the coming week.

PATTERSON